

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

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| In re |) | | |
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| 2006 Quadrennial Regulatory Review – Review of 121 |) | MB Dckt. No. 06- | |
| the Commission’s Broadcast Ownership Rules and |) | | |
| Other Rules Adopted Pursuant to Section 202 of |) | | |
| The Telecommunications Act of 1996 |) | | |
| 2006 Quadrennial Regulatory Review – Review of 277 |) | MB Dckt. No. 02- | |
| the Commission’s Broadcast Ownership Rules and |) | | |
| Other Rules Adopted Pursuant to Section 202 of |) | | |
| The Telecommunications Act of 1996 |) | | |

To: The Commission

COMMENTS

Equity Broadcasting Corporation (“Equity”) hereby submits its comments in connection with the Commission’s review of its media ownership rules, including but not limited to an analysis of the local television ownership rules and national television ownership cap. Equity, through its subsidiaries, is the licensee of over 30 full power television stations and 80 Class A and low power television stations across the country. Equity operates most of these stations as either independents, Spanish language affiliates, or as affiliates of networks that commonly fall outside the top four ranked networks in a market. Therefore, Equity is very concerned about the ability to have a level playing field in which to compete for advertisers and viewers.

If the Commission truly wants to promote competition, diversity and localism in the marketplace, then Equity urges it to take all steps necessary to prevent a television station owner in a market from having such an undue concentration of revenue that other station operators cannot effectively compete. Equity believes the Commission would be well served to enact rules that not only look at Nielsen rankings and number of independently owned stations in a market, but also the advertising dollars in a market

and how television stations in a market share such available revenue. Whether that means the Commission prohibits a station owner from controlling more than a certain percentage of the advertising revenue in a market is a determination that Equity believes the Commission will be able to make only after properly collecting all other comments and reviewing market specific data.

What is of a more pressing concern, however, is that no matter what rules the Commission ultimately adopts, it must ensure it properly regulates and enforces these rules. There have been too many instances under the current rules in which the Commission has turned a blind eye to blatant violations of the ownership rules. In at least three markets in which Equity operates, including Ft. Smith, Arkansas; Ft. Myers, Florida; and Springfield, Missouri a large media company that already owns one full power television station in the market is attempting to circumvent the Commission's rules by owning and operating a prohibited second full power television station.¹ In each of these instances, the revenue in the market will be further concentrated, a monopoly situation that threatens the very future of companies like Equity who struggle to operate by the stated ownership rules.

Therefore, the Commission must ensure that whatever rules it ultimately adopts, it monitors and enforces the rules to prevent large media companies from playing "shell games" and undermining the ownership rules to the point to which they are completely irrelevant.

¹ See BALCT-20060411ABX (Nexstar is proposing to sell KFTA-TV, Ft. Smith, Arkansas, the FOX affiliate in the market which was formerly a satellite station of Nexstar owned KNWA-TV, Rogers, Arkansas (the NBC affiliate in the market), to Mission Broadcasting, Inc., a company in which issues have been raised concerning the financial relationship between Nexstar and Mission); BALCT-20060518ACT (Acme Television is proposing to assign WTVK(TV), Naples, Florida, the CW affiliate to Sun Broadcasting, Inc. Issues have been raised concerning control of Sun by Fort Myers Broadcasting Company, licensee of WINK-TV, Ft. Myers, Florida, the CBS affiliate in the market. Finally, the owner of the NBC and CW affiliates in Springfield, Missouri has announced plans to purchase the ABC affiliate through a "subsidiary" company, which would result in basically one entity owning 3 affiliates in a market, two of which are the top revenue producers.

Respectfully submitted,

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